

FILED

AUG 25 1912

CHARLES ELMORE GUDLEY  
CLERK

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**Supreme Court of the United States**

**OCTOBER TERM, 1942.****Nos. 211-212.**

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**EASTERN BUILDING CORPORATION,***Petitioner,***VS.****THE UNITED STATES.**

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**BRIEF ON BEHALF OF COMMITTEE FOR HOLDERS OF  
EASTERN BUILDING CORPORATION BONDS, AMICUS  
CURIAE.**

At the time of the execution of the lease involved in this action, the premises in question were subject to a trust mortgage executed to secure an issue of First Mortgage Bonds in the sum of \$1,600,000, and the Trustee under the Mortgage Indenture was a party to the lease. The building in question was a specialty building, *i. e.*, erected for the sole purpose of housing a United States Post Office and nothing else, and the funds for the acquisition of the land and the erection of the building were obtained principally from the proceeds of the sale to the public of the said issue of First Mortgage Bonds. It appears from the dissenting opinion in the Court below that the execution of the lease was delayed because of the difficulty which the Eastern Building Corporation had in financing the proposition. Approximately \$922,000 principal amount of said bonds are now outstanding. They were purchased by investors in the belief that the premises subject to the Mortgage had been leased

to the Government under a valid and binding twenty year lease. Due to the failure of the Postmaster General to pay the rent the said issue is now in default and the investors have suffered heavy losses.

It seems an anomalous situation that the Government of the United States, which, through its legislative branch, has in recent years enacted important legislation for the protection of investors, legislation which is now being actively enforced by Government officials, should at the same time take the position through other departments that a twenty year lease, on the strength of the existence of which a substantial bond issue was offered and sold to the public, is in effect cancellable by the Government at will.

The decision of the Court of Claims works great injustice to this substantial body of innocent investors and the determination of the case is of importance to them. For this reason and for the reasons urged by the petitioner, it is respectfully requested that this Court grant the writ herein sought.

Respectfully submitted,

LIVINGSTON PLATT,  
*Attorney for Committee for  
Holders of Eastern Building  
Corporation Bonds, Amicus  
Curiae.*